

Kentucky Agri-News

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Featuring: ► Agricultural Prices ► Milk Production ► Farm Labor ► Annual Honey ► Slaughter
► Cold Storage ► Cattle on Feed ► Chicken & Eggs ► Crop Values ► Dairy Products

KENTUCKY LIVESTOCK AND CROP PRICES CONTINUE MIXED

Prices received by **Kentucky** farmers in February were steady to up for cattle while down for hogs and milk. Corn price was up while soybean and winter wheat prices were down.

Steers and heifers 500 lbs and over averaged \$104.00 per cwt. (hundred weight) for mid-February. The price was unchanged from January while up \$7.00 from February 2005. **Beef cow** price at mid-month was \$46.00 per cwt., up \$2.00 from the previous month while down \$4.00 from the previous year. **Calves** less than 500 lbs. averaged \$129.00 per cwt., an increase of \$3.00 from January and \$12.00 from February 2005. This was the highest price since June 2005 and the fourth highest price on record. The record high price of \$133.00 per cwt. occurred in May 2005.

Hog prices for February were all lower than the previous month. **Barrows and gilts** for mid-February averaged \$40.00 per cwt., down \$1.00 from January and \$10.00 from a year earlier. This was the lowest price since January 2004. **Sow** prices at mid-month averaged \$30.00 per cwt., down \$5.00 from January and \$17.00 from February 2005. Price of sows was at their lowest since January 2004.

Sheep and lamb prices for January were mixed. The **sheep** price at \$56.00 per cwt. was up \$4.00 from the December 2005 price. The **lamb** price was \$101.00 per cwt., down \$7.00 from December.

Price of **all milk** for mid-February was \$15.10 per cwt., down 30 cents from the January price and 80 cents from February 2005. This would be the lowest milk price since February 2004. The final monthly milk price will vary from the projected mid-month price due to price changes announced by the Milk Marketing Orders, actual milk fat content and quantity of milk sold by class.

Grain prices were all up from the previous year. The **corn** price at mid-February was \$2.25 per

bushel, up 3 cents from the January price and 12 cents from February 2005. The **soybean** mid-month price was \$5.85 per bushel, down 27 cents from the January price while up 20 cents from February a year ago. **Winter wheat** price was \$3.40 at mid-month, down 12 cents from January while up 47 cent from February 2005.

The Preliminary **U.S.** All Farm Products Index of Prices Received by Farmers in February at 113, based on 1990-92=100, was unchanged from January. The Crop Index was up 5 points (4.6 percent) but the Livestock Index decreased 4 points (3.4 percent). Producers received higher commodity prices for oranges, wheat, hay, and hogs. Lower prices were received for cattle, tomatoes, milk, and eggs. The overall index was also affected by the seasonal change based on a 3-year average mix of commodities a producer sells. Increased average marketings of cattle, milk, broilers, and strawberries offset decreased marketings of corn, soybeans, wheat, and cotton. The preliminary All Farm Products Index was down 1 point (0.9 percent) from February 2005.

AVERAGE PRICES RECEIVED BY FARMERS - (Dollars)

COMMODITY	UNIT	KENTUCKY		US	
		FEB 2005	JAN 2006	FEB 2006	FEB 2006
		Entire Month		Mid-Month a/	
All Corn b/ c/	Bu.	2.13	2.22	2.25	2.01
Soybeans b/	Bu.	5.65	6.12	5.85	5.68
Winter Wheat b/	Bu.	2.93	3.52	3.40	3.67
Alfalfa Hay, baled	Ton	105.00	120.00	120.00	99.20
All Other Hay, baled	Ton	61.00	70.00	70.00	83.20
All Hogs	Cwt.	49.90	40.80	39.60	41.20
Barrows & Gilts	Cwt.	50.00	41.00	40.00	41.70
Sows	Cwt.	47.00	35.00	30.00	31.20
All Beef Cattle d/	Cwt.	85.70	89.60	90.10	92.60
Steers & Heifers e/	Cwt.	97.00	104.00	104.00	98.10
Cows	Cwt.	50.00	44.00	46.00	48.50
Calves f/	Cwt.	117.00	126.00	129.00	142.00
Sheep	Cwt.	--	56.00	--	--
Lambs	Cwt.	--	101.00	--	--
Milk Wholesale					
All	Cwt.	15.90	15.40	15.10	13.80
Hog-Corn Ratios g/	Bu.	23.4	18.4	17.6	20.5

a/ Preliminary. b/ Includes contract sales paid during month. c/ Includes yellow and white corn. d/ "Steers and heifers" and "cows" combined. e/ 500 lbs. and over. f/ Under 500 lbs. g/ Number of bushels of corn equal in value to 100 lbs. of hog live weight.

MILK PRODUCTION

Kentucky milk production for January 2006 totaled 117 million pounds, down 2 percent from a year earlier, but up 4 percent from last month. Average number of cows on farms at 101,000 head was down 9,000 head from last year and down 1,000 head from last month. Milk per cow averaged 1,160 pounds, up 70 pounds from January 2005, and up 50 pounds from December 2005.

Milk production in the **23 major States** during January totaled 14.0 billion pounds, up 5.4 percent from January 2005. December production, at 13.6 billion pounds was up 4.1 percent from December 2004. Production per cow in the 23 major States averaged 1,711 pounds for January, 68 pounds above January 2005. The number of cows on farms in the 23 major States was 8.19 million head, 103,000 head more than January 2005, and 11,000 head more than December 2005.

MILK COWS & MILK PRODUCTION DECEMBER & JANUARY, SELECTED STATES

STATE	Revised December				January				
	Milk Cows <u>1</u> /		Production <u>2</u> /		Milk Cows <u>1</u> /		Production <u>2</u> /		'06% of '05
	2004	2005	2004	2005	2005	2006	2005	2006	
	1,000 Head		Million Pounds		1,000 Head		Million Pounds		
CA	1,741	1,771	3,090	3,179	1,739	1,772	3,078	3,234	105
IL	106	104	163	163	105	104	170	170	100
IN	155	158	253	271	155	161	254	277	109
KY	110	102	116	113	110	101	120	117	98
MN	460	445	679	688	460	445	695	714	103
MO	119	114	151	157	118	114	157	164	104
OH	266	273	386	390	267	273	390	399	102
TX	319	324	496	557	318	325	526	600	114
VA	104	104	148	150	105	103	154	154	100
WI	1,236	1,239	1,842	1,920	1,235	1,240	1,871	1,965	105
23-State Total	8,099	8,179	13,058	13,599	8,087	8,190	13,287	14,011	105

1/ Includes dry cows, excludes heifers not yet fresh. 2/ Excludes milk sucked by calves.

U.S. HIRED WORKERS UP 3 PERCENT, WAGES UP 3 PERCENT

There were 796,000 hired workers on the **Nation's** farms and ranches during the week of January 8-14, 2006, up 3 percent from a year ago. Of these hired workers, 616,000 workers were hired directly by farm operators. Agricultural service employees on farms and ranches made up the remaining 180,000 workers.

Farm operators paid their hired workers an average wage of \$10.11 per hour during the January 2006 reference week, up 33 cents from a year earlier. Field workers received an average of \$9.15 per hour, up 44 cents from last January, while livestock workers earned \$9.25 per hour compared

with \$9.20 a year earlier. The field and livestock worker combined wage rate, at \$9.19 per hour, was up 29 cents from last year.

The number of hired workers on farms in the **3-State Region including Kentucky**, Tennessee, and West Virginia totaled 24,000 during the week of January 8-14, 2006. Hired workers worked an average 32.1 hours during the survey week. The average wage rate for all hired workers was \$9.61 per hour. Field workers averaged \$8.17 per hour and livestock workers averaged \$9.73 per hour.

HONEY PRODUCTION

U.S. honey production in 2005 from producers with five or more colonies totaled 175 million pounds, down 5 percent from 2004. There were 2.41 million colonies producing honey in 2005, down 6 percent from 2004. Yield per colony averaged 72.5 pounds, up 1 percent from the 71.8 pounds in 2004. Colonies which produced honey in more than one State were counted in each State where the honey was produced, therefore yields per colony may be understated. Colonies were not included if honey was not harvested. Producer honey stocks were 62.4 million pounds on December 15, 2005, up 2 percent from a year earlier. Stocks

held by producers exclude stocks held under the commodity loan program.

Honey prices decreased during 2005 to 90.4 cents, down 15 percent from 106.9 cents in 2004. Prices are based on retail sales by producers and sales to private processors and cooperatives. State level honey prices reflect the portions of honey sold through retail, co-op and private channels. Honey prices for each color class are derived by weighing quantities sold for each marketing channel. Honey prices for 2005 were lower than the previous year for all color class totals.

RED MEAT PRODUCTION

Commercial red meat production

for the U.S. totaled 3.89 billion pounds in January, up 7 percent from the 3.65 billion pounds produced in January 2005. January 2005 contained 21 weekdays (including one holiday) and 5 Saturdays. January 2006 contained 22 weekdays (including two holidays) and 4 Saturdays.

Beef production, at 2.04 billion pounds, was 7 percent above the previous year. Cattle slaughter totaled 2.64 million head, up 5 percent from January 2005. The average live weight was up 19 pounds from the previous year, at 1,281 pounds.

Pork production totaled 1.82 billion pounds, up 7 percent from the previous year. Hog kill totaled 8.92 million head, 5 percent above January 2005. The average live weight was 3 pounds above the previous year, at 273 pounds.

Frozen food stocks in refrigerated warehouses on January 31, 2006, were greater than year earlier levels for cheese, beef, pork, chicken, and eggs.

COMMERCIAL RED MEAT PRODUCTION 1/

Type	Jan 2005	Dec 2005	Jan 2006	Jan 06 % of	
				Jan 2005	Dec 2005
	Million Pounds			Percent	
Beef	1.915	2.057	2.044	107	99
Veal	13.3	13.5	12.5	94	93
Pork	1.705	1.866	1.817	107	97
Lamb & Mutton	14.4	16.5	16.2	112	98
Total U.S.	3,648	3,953	3,890	107	98
Total Kentucky	40.3	42.3	45.5	113	108

1/ Based on packers' dressed weights and excludes farm slaughter.

COMMERCIAL SLAUGHTER, JANUARY 2004 & 2005 1/

Type	Number Slaughtered		Total Live Weight		Average Live Weight	
	2004	2005	2004	2005	2004	2005
	1,000 head		1,000 lbs.		Pounds	
Kentucky						
Cattle	1.7	1.7	1,459	1,523	884	908
Hogs	197.2	218.3	52,511	59,328	266	272
Sheep & Lambs	0.8	0.9	103	116	124	123
United States						
Cattle	2,527.8	2,641.7	3,189,651	3,385,304	1,262	1,281
Hogs	8,480.0	8,915.7	2,288,913	2,435,864	270	273
Sheep & Lambs	208.5	223.7	28,760	32,236	138	144

1/ Includes slaughter under Federal inspection and other Commercial slaughter, excludes farm slaughter.

COLD STORAGE HIGHLIGHTS

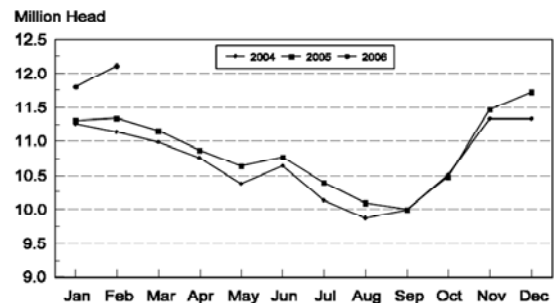
ALL U.S. WAREHOUSE STOCKS				Jan 06 as % of	
Commodity	Jan 31, 2005	Dec 31, 2005	Jan 31, 2006	Jan '05	Dec '05
Frozen Poultry		1,000 lbs		Percent	
Chicken	647,254	925,763	946,536	146	102
Turkey	332,894	206,166	264,047	79	128
Ducks	401	2,615	3,300	823	126
Total Frozen Poultry	980,549	1,134,544	1,213,883	124	107
Meat					
Total Frozen Beef	453,261	434,442	456,366	101	105
Frozen Pork					
Bellies	63,417	47,925	61,308	97	128
Total Frozen Pork 1/	498,681	428,529	528,464	106	123
Total Meat 2/	966,846	884,373	1,005,542	104	114

1/ Includes picnics, hams, bellies, loins, ribs, trimmings, and other frozen pork. 2/ Includes frozen beef, pork, veal, lamb and mutton, other frozen meat, canned hams, and other canned meat.

U.S CATTLE ON FEED

Cattle and calves on feed for slaughter market in the United States for feedlots with capacity of 1,000 or more head totaled 12.1 million head on February 1, 2006. The inventory was 7 percent above February 1, 2005 and 9 percent above February 1, 2004. **Placements** in feedlots during January totaled 2.20 million, 16 percent above 2005 and 25 percent above 2004. Net placements were 2.12 million. During January, placements of cattle and calves weighing less than 600 pounds were 530,000, 600-699 pounds were 447,000, 700-799 pounds were 702,000, and 800 pounds and greater were 520,000. **Marketings** of fed cattle during January totaled 1.81 million, up 2 percent from 2005 and up 2 percent from 2004. **Other disappearance** totaled 83,000 during January, 14 percent above 2005 but 12 percent below 2004.

United States Cattle on Feed
1,000+ Capacity Feedlots



UNITED STATES EGG PRODUCTION & HATCH

Type	Jan. 2005	Jan. 2006	Jan. 06 % of Jan. 05
Egg Production			
Eggs Produced (Million)	7,626	7,721	101
Average Layers (000)	347,864	349,253	100
Eggs Per 100 Layers	2,192	2,211	101
Egg Type Hatchery			
Eggs Set Feb. 1 (000)	34,202	33,497	98
Chicks Hatched (000)	37,936	35,422	93
Broiler Type Hatchery			
Eggs Set Feb. 1 (000)	654,044	660,973	101
Chicks Hatched (000)	796,026	804,073	101

KENTUCKY CROPS VALUED AT \$1.41 BILLION

Crops produced by **Kentucky** farmers during the year 2005 were valued at \$1.41 billion, down 15 percent from the 2004 crop valued at \$1.66 billion. Production was limited by a hot, dry early summer. August rains helped soybean pod fill and development, but did little to improve corn yields. Corn, soybeans and tobacco decreased in value, while hay, wheat and sorghum increased in total crop value. Hay was Kentucky's number one cash crop. Hay accounted for 31.0 percent of Kentucky's total crop value for the year 2005. Kentucky ranked 24th among all states in value of crop production. The value of production for the year 2005 is

preliminary and based on an estimate of market year average prices. Value of production will change as market year average price and/or production are revised.

All crops produced in the **U.S.** for 2005 were valued at \$103.9 billion, down 3 percent from 2004. California remained the number one State with a total crop value of \$18.6 billion. Iowa was second with \$7.38 billion, and Illinois ranked third with \$6.22 billion. The Nation's top three crops in value of production were corn with \$21.0 billion, soybeans with \$16.9 billion and all baled hay with \$12.5 billion.

KENTUCKY PRINCIPAL CROPS RANKED ACCORDING TO VALUE OF PRODUCTION 2004 - 2005

2005 Rank	Commodity	Unit	2004 Crop Year 1/			2005 Crop Year 2/			05 Value as % of 04 Value
			Price (Dollars)	Value (\$1,000)	% of Total Value	Price (Dollars)	Value (\$1000)	% of Total Value	
1.	Hay (baled)	Ton	65.50	388,824	23.4	75.50	436,909	31.0	112
2.	Corn (for grain)	Bu.	2.24	388,147	23.4	2.05	319,308	22.6	82
3.	Soybeans	Bu.	5.87	335,764	20.2	5.55	298,313	21.1	89
4.	Tobacco, All	Lb.	2.050	481,708	29.0	1.692	282,947	20.1	59
5.	Wheat	Bu.	2.96	60,739	3.7	3.20	65,280	4.6	107
6.	Sorghum, Grain	Bu.	1.95	2,027	.1	1.79	3,871	.3	191
7.	Fruit & Vegetables			3,541	.2		2,278	.2	64
8.	Barley	Bu.	2.02	1,244	*	1.95	1,457	.1	117
9.	Miscellaneous			232	*		316	*	136
	TOTAL			1,662,226			1,410,679		85

1/ Revised. 2/ Preliminary. * Less than .1%

U.S. DAIRY PRODUCTS, DECEMBER 2005

PRODUCT	Dec. 2004	Nov. 2005 1/	Dec. 2005	Percent of Dec. 04 Nov. 05	
		(000) Pounds		Percent	
BUTTER	118,808	111,035	125,799	106	113
CHEESE					
American Types 2/	324,236	310,171	325,220	100	105
Mozzarella	258,281	252,049	266,961	103	106
All Other Types 3/	191,346	199,291	198,842	104	100
Total	773,863	761,511	791,023	102	104
		(000) Gallons		Percent	
FROZEN PRODUCTS					
Ice Cream (Hard)	55,193	61,819	55,945	101	90
Frozen Yogurt (Total)	4,148	4,214	4,332	104	103
MIX FOR FROZEN PRODUCTS					
Ice Cream Mix	31,200	33,996	30,691	98	90
Yogurt Mix	2,472	2,479	2,548	103	103

1/ Revised. 2/ Includes Cheddar, Colby, Monterey, and Jack. 3/ Includes Swiss, Cream and all other types. Excludes cottage cheese.

Internet Access: Data including this report are available free of charge on our Internet homepage located at <http://www.nass.usda.gov/ky>. Links to the Kentucky Department of Agriculture, the University of Kentucky Agricultural Weather Center and other web sites related to Kentucky Agriculture are also included. National & State reports and data are available on the USDA, National Agricultural Statistics Service homepage located at <http://www.usda.gov/nass/>